

6/30/78 [2]

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FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
Memo	Vice President et al, to Pres. Carter, w/attachments 5 pp., re: recommendations <i>Open 4/12/95</i>	6/28/78	C
Memo	Griffin Bell to Staff, w/attachments 3, re: Attorney's fees <i>Open 4/12/95</i>	6/28/78	C
Memo	McIntyre & Owen to Pres. Carter, w/attachments 20 pp., re: P.L. 480 requests <i>opened per AAC NLC 126-13-12-1-3, 6/12/13</i>	6/28/78	A

FILE LOCATION

Carter Presidential Papers-Staff Offices, Office of the Staff Sec.-Presidential
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2:40 PM



OFFICE OF THE VICE PRESIDENT
WASHINGTON

June 30, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: RICHARD MOE

SUBJECT: NANCY TEETERS APPOINTMENT

You are interviewing Nancy Teeters at 2:40 PM today to consider her for possible appointment to the Federal Reserve Board. Attached is her resume and the memorandum in which the Vice President, Ham, Charlie, et. al., recommend her appointment. If the session with her is satisfactory, everyone hopes you will offer her the job.

Bill Miller suggests you might emphasize his "team" concept of the Fed with her, that is, every member is encouraged to fight for his views, but then to get behind the decision (and the Chairman) once it is made.



THE VICE PRESIDENT
WASHINGTON

June 27, 1978

9
1

MEMORANDUM FOR THE PRESIDENT

FROM: THE VICE PRESIDENT *WJ*
HAMILTON JORDAN *H.J.*
CHARLES SCHULTZE *CLS*

SUBJECT: APPOINTMENT TO THE FEDERAL RESERVE BOARD

As you know, there has been widespread agreement both within the White House and throughout the Administration that it is time to place the first woman on the Fed. As a result, we have conducted an exhaustive search, working very closely with Bill Miller, to find the best possible woman candidate in terms of experience, judgment and compatibility with your policies to fill the position vacated by Arthur Burns.

After screening nearly 100 possibilities and consulting widely throughout the economic and financial community, we have finally all agreed to recommend to you the appointment of Nancy Teeters, the assistant director and chief economist of the House Budget Committee since 1974. Of all the possible candidates, we believe that she has the professional experience, the respect of the economic community and the judgment necessary to make an outstanding member of the Fed. Most important, her views on monetary policy coincide closely with Bill Miller's and the Administration's, and she will be a valuable and forceful advocate of those views.

Her closest competition was Courtenay Slater, the chief economist at the Commerce Department. While Charlie felt that either of the two would be a good choice, he believes that we should defer to Bill Miller's preference for Teeters.

* * * * *

Other positions Teeters has held include:

1973-74 - Senior Specialist, Congressional Research Service
of the Library of Congress

1970-73 - Senior Fellow, Brookings Institution

1966-73 - Staff member of the Planning and Analysis Staff,
Office of Management and Budget

1957-66 - Staff economist in the Government Finance Section,
Federal Reserve Board

(Complete resume attached)

Here are some comments on Teeters:

Bill Miller (who had two lengthy interviews with her):
"She is my first choice. Very bright and clearly compatible
on policy. She will be a team player and has Hill contacts
that will be valuable to us. She is very pleasant, outgoing,
and will be an especially good advocate for our policies."

Charlie Schultze (who has known and worked with her for 20
years): "She is hard-working, aggressive, and will not be
afraid to speak up within the Board for reasonable policies.
She should be an ally for Miller in moderating the very 'hard'
line of some of the very conservative members of the Board."

Walter Heller: "She is first-rate in every respect. She would
be my first choice."

Joe Pechman (Brookings): "She is savvy, hard-working, and
experienced. We need someone with her background and views on
the Board. The one question I have is whether she could hold
her own in that lion's den. But Nancy is as good a choice as
there is, and I think she will do a good job."

Walter Kravitz (who set up the House Budget Committee Staff
and hired Teeters; now with Library of Congress): "I think
very highly of her. She has enormous experience. I am not an
economist and cannot judge her professional abilities, but she
did a fine job for me on the Committee. She is her own person
and has no compunction about telling you what is on her mind."


June 27, 1973

John Henderson (chief of economics branch, Library of Congress, when Teeters was there; now a senior specialist): "She is an outstanding, forceful, positive analyst . . . a very strong candidate. She will stand up for her views. Has considerable experience in budgetary and monetary policy. I would recommend her very highly. She is an extraordinary woman who has managed to be a successful professional and to raise a very good family at the same time."

* * * * *

We join Mike Blumenthal, Juanita Kreps, Stu Eizenstat and Bill Miller in believing she would make an excellent Board member and we all recommend her appointment.

 I will appoint Nancy Teeters
 ✓ I would like to interview Nancy Teeters
 I would like to consider other names



RESUME: Nancy Hays Teeters

Date of Birth: July 29, 1930

Married: Robert D. Teeters
June 9, 1952

Place of Birth: Marion, Indiana

Children: Ann, James, John

Home Address: 3053 Porter St. N. W.
Washington, D. C. 20008
202-362-8721

Office Address:
House Budget Committee
Washington, D. C. 20515
202-225-7210

Educational Background:

Marion, Indiana Public Schools	1936-1948
Oberlin College, AB(economics)	1952
University of Michigan, MA(economics)	1954
University of Michigan,	1954-1957
All requirements except the thesis completed for PhD.	

Current Position: From December 1974 to Present.

I am the Assistant Staff Director and Chief Economist for the Committee on the Budget of the House of Representatives of the U. S. Congress. I supervise a staff of six. The economics section is responsible for making the economic forecast underlying the Committee's estimates of Federal receipts and expenditures. We develop the revenue estimates and assist the expenditure analysts to develop theirs. We are also responsible for keeping the Members informed on current economic developments. We plan and schedule the Committee's hearings and those of the Task Force on Economic Projections. We prepare the material for the Committee and Task Force's reports.

Previous Positions:

From September 1973 to December 1974, I was a Senior Specialist with Congressional Research Service of the Library of Congress. The job consisted of preparing reports for various Committees and Members of Congress on the economic outlook and Federal fiscal and monetary policy. The work involved using an interactive econometric model to evaluate alternate economic policies.

From January 1970 to September 1973, I was a Senior Fellow at the Brookings Institution, where I was one of the joint authors of three of the books that undertake an annual review of the budget, entitled Setting National Priorities. I was also a member of the Brookings Panel on Economic Activity for three years and published several articles in that journal. (A complete list of publications and dates of employment is attached.) While at Brookings, I served on a panel of consultants for the 1970-1971 Advisory Council on Social Security.

From January 1966 to January 1970, I served as a staff member of the Planning and Analysis Staff of what is now the Office of Management and Budget. My major responsibility was as the OMB staff representative to the inter-agency committee for economic forecasting, the Troika. It also involved drafting the economic and fiscal policy sections of the budget, supervising the translation of the unified budget into the Federal sector of the national income accounts, and doing staff liaison work with the Council of Economic Advisers, and the Treasury.

From September 1957 to January 1966, I was a staff economist in the Government Finance Section of the Federal Reserve Board. My responsibilities included monitoring fiscal policy, including forecasting Federal receipts and expenditures, and reporting on the ownership of the Federal debt. I was loaned to the Council of Economic Advisers in 1952 for one year.

Professional Activities:

I am currently a member of the Board of Governors of the National Economists Club, having previously served as Vice President, President, and Chairman of the club. I am also a member of the Committee on the Status of Women of the American Economic Association (CSWEP). I have also served on the Board of the American Finance Association.

THE WHITE HOUSE
WASHINGTON

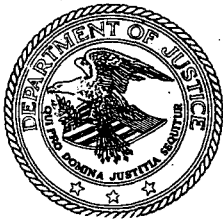
June 30, 1978

Attorney General Griffin Bell

The attached was returned in the President's
outbox today and is forwarded to you for
appropriate handling.

Rick Hutcheson

bcc: Stu Eizenstat
Bob Lipshutz



Office of the Attorney General
Washington, D. C. 20530

June 28, 1978

MEMORANDUM TO THE PRESIDENT:

You perhaps saw in the paper that the Justice Department approved a payment of attorneys' fees in the amount of \$195,000.00 to the lawyers seeking the files in the Rosenberg spy trial of some twenty years ago. This settlement was made by the Civil Division, headed by Barbara Babcock, without bringing the matter to my attention or to the attention of Mike Egan.

I have taken action to prevent such payments in the future without some additional consideration by me, and have also given other directions in an effort to bring the matter under control. A copy of my letter is attached for your information in which these directions are set out.

Respectfully,

Griffin B. Bell

Griffin B. Bell

Enclosure

cc Griffin - It seems to me that someone with judgment & ultimate responsibility should approve every such payment. Your letter sounds very tentative. We may need a law - I think was a very bad action & possible precedent J.C.

memorandum

DATE: June 28, 1978

REPLY TO
ATTN OF:

Griffin B. Bell GB13

SUBJECT:

Award of Attorneys' Fees in Meeropol v. Bell, et al.

TO:

Mr. Egan and Ms. Barbara Babcock

Please do not make any more settlements of attorneys' fees cases in Freedom of Information Act matters without bringing them to my attention. The settlement in this case may be small when compared to those which may be incurred when people seek all of the records in connection with the Communist Party USA investigation, the spy trial during World War II, the Lindberg kidnapping case, the Weathermen, SDS, SNNC, and the Al Capone investigations, among others,

I do not think that it was the intent of the law to allow attorneys' fees on any such scale as this, and my inclination is to let the judges set fees where substantial amounts are involved. We may need to appeal two or three such cases to set a standard and to learn more about what Congress intended.

Most courts have had some experience in fee setting under some of the statutes enacted in recent years and there is quite a body of law being built on the subject. We had a number of fee cases in the Fifth Circuit and finally a definitive decision was rendered in a case, as I recall, Johnson v. Georgia Highway Express, in which, among other things, the district courts were admonished not to treat counsel for litigants any better than Attorneys General were paid and to have in mind what defense lawyers are paid under the Criminal Justice Act. There were many factors set out in the opinion which are to be considered in setting fees.

I am assuming that it is too late to recall this matter but according to the news accounts this was only an interim fee and I would like to be heard before any further fees are paid.

Also, I think it would be well to ask for a legal opinion from the Office of Legal Counsel on the responsibility of the government to pay fees under this Act. From a statement in your letter, it would appear that these lawyers are charging for time for preparing the initial request to the FBI. If this is the law, then we are open to thousands of requests for attorneys' fees if there is subsequent litigation. I do not know the meaning of the statute in this regard and would like to be advised by OLC.



THE WHITE HOUSE

WASHINGTON

June 30, 1978

Tim Kraft
Jody Powell

The attached was returned in the President's outbox today and is forwarded to you for appropriate handling.

The signed original has been given to Bob Linder

Rick Hutcheson

cc: Joe Aragon
Bob Linder

THE WHITE HOUSE
WASHINGTON

June 29, 1978

*Tim, Tody -
Maximum PR -
incl in español
J*

MEMORANDUM FOR:

THE PRESIDENT

FROM:

JAMES F. GAMMILL, JR. *JFG*

SUBJECT:

Presidential Appointment

Attached for your signature is the nomination document for Jose A. Gonzalez, Jr., of Florida, to be United States District Judge for the Southern District of Florida vice Charles B. Fulton, retired.

Since 1964, Judge Gonzalez has served as a Circuit Judge for the 17th Judicial Circuit of Florida.

Attorney General Bell recommends this appointment.

All necessary checks have been completed.



Office of the Attorney General
Washington, D. C. 20530

June 21, 1978

My dear Mr. President:

I have the honor to enclose the nomination of Jose A. Gonzalez, Jr., of Florida, to be United States District Judge for the Southern District of Florida vice Charles B. Fulton, retired.

Judge Gonzalez was born November 25, 1931 in Tampa, Florida, is married and has two children.

He attended the University of Florida from 1949 to 1952 when he received his B.A. degree. He attended the University of Florida Law School from 1954 to 1957 when he received his J.D. degree. He was admitted to the Florida State Bar in 1958.

He served in the United States Army from 1952 to 1954 when he was honorably discharged.

Since 1964 Judge Gonzalez has served as a Circuit Judge for the 17th Judicial Circuit of Florida. In addition he served as Assistant State Attorney for the 15th Judicial Circuit of Florida, 1961 - 1964; and was in the practice of law with Watson, Hubert and Sousley, 1958 - 1964.

The Standing Committee on Federal Judiciary of the American Bar Association has submitted a report in which they state their opinion that Judge Gonzalez is well qualified for appointment to this position. He bears an excellent reputation as to character and integrity, has judicial temperament, and is, I believe, worthy of appointment as a United States District Judge.

I recommend the nomination.

Respectfully,

William B. Reel

The President

The White House

JOSE A. GONZALEZ, JR.

Born: November 26, 1931 Tampa, Florida

Legal Residence: Florida

Marital Status: Married Wife--Frances Frierson
2 children

Education: 1949-1952 University of Florida; B.A.
1954-1957 University of Florida; J.D.

Bar: 1958 Florida

Military Service: 1952-1954 United States Army

Experience: 1958-1964 Watson, Hubert & Sousley
Ft. Lauderdale, Florida
1961-1964 Assistant State Attorney
15th Judicial Circuit of Florida
(part-time)
1964 to present Circuit Judge
17th Judicial Circuit of Florida

Office: 920 Broward County Courthouse
Ft. Lauderdale, Florida 33301
Telephone: 305-765-4727

Home: 4820 N.E. 15th Way
Oakland Park, Florida 33334

Ethnic Group: Hispanic

THE WHITE HOUSE
WASHINGTON

June 29, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: Jody Powell *JP*

A French network television crew is making a documentary on American foreign policy, focusing on the airlift into Zaire, which will be shown within a month in France.

Your participation would require two short filmings on Friday (6/30/78) morning: your arrival at the Oval Office as the day begins and the first minute of the regular Friday foreign affairs breakfast.

When you walk to the West Wing, one camera will be in the garden. The other will be on the colonnade and will follow you to the office door, staying outside and filming through the door for several seconds. After that, the camera will be in the Roosevelt Room when you arrive for the foreign affairs breakfast. They will film for one minute with sound.

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THE WHITE HOUSE
WASHINGTON

FRIDAY - JUNE 30, 1978
9:10 A.M.

MR. PRESIDENT

SECRETARY SCHLESINGER CALLED.

→ PRC
Oil Co. in dictation
Legis. Co. 7/23 mty
More Nat gas in Sen 1st
PHIL

JOINT CHIEFS

6/30/78

TRAINING - EXPER. CHAR. LEAD. STRAT
POL

DAVID JONES - 300 - NKOR. STATESMAN - STRAT
CHMN JC

LEW ALLEN - V.P. 5 DAYS - 4000 STR BOMB
CH of ST AIR F SCIENTIST

TOM HAYWARD - FIGHTER Squad. War Col
Inter. Oper Commander. CWO

Strong nation - alliances
Strategic - Com - NATO
Turkey

Think - plan - design - perform
Eager Willing
COOP / COMPETE = ~~STRENGTH~~ ^{STRENGTH}

ECON, POL, IDEOL, TECH
Strong DEFENSE

PEACE THRU STRENGTH

Foreign Policy Breakfast 6/30/78

THE WHITE HOUSE
WASHINGTON

- > Fritz visit
- > One House veto, etc.
- > Crawford, U.S. correspondents
- > CTB - resume testing > 3 yrs?
- > Kfir & → Taiwan
- > Scowcroft → MBR
- > Gilman/Lunt/Vogel/PR
- > Namibia → UN
- > Dole re oil imports
- > PR re summit
- > Somali - ETH - arms sales
- > PRC
- > ME Henry/Veto
- > Rhio
- > Argentina
- > Libya/Oshkosh

THE WHITE HOUSE
WASHINGTON

June 30, 1978

Zbig Brzezinski
Jim McIntyre

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

SUPPLEMENTAL PL 480 REQUEST



EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

28 JUN 1978

MEMORANDUM FOR: THE PRESIDENT

FROM: James T. McIntyre, Jr. *Jim*
Henry Owen *HO*

SUBJECT: Supplemental P.L. 480 Request

1. Agencies' Request. In the attached memorandum (Tab A), State, AID and USDA request \$64 million for FY 1978 Title I P.L. 480 sales programs in six countries. Because there is currently \$15 million in unprogrammed 1978 funds, this would cause the program to exceed the FY 1978 budget by \$49 million unless there are cancellations of agreements now signed or in negotiation.

2. Funding Issues. Any increase over the 1978 budget level would require using 1979 funds, since an already projected 1978 funding surplus has been applied to the planned 1979 program. The request should thus be considered as a 1979 budget issue, since supplemental funds would be required in that year. Because of rising prices, we already foresee a 1979 Title I budget deficit (even with our original 1978 carryover) of as much as \$150 million; approval of this 1978 increment would increase this deficit to nearly \$200 million.* Some reduction in the commodity levels tentatively approved for FY 1979 may thus become necessary if we are to avoid or minimize a supplemental request. Approval of the 1978 request described in paragraph 1 would increase pressures for such a request. Given your public commitment to hold down the budget and the possibility of 1979 rescissions, a supplemental budget request would be undesirable.

3. Country Allocation: Our Views. Other than to note that Peru and Portugal are of relatively low priority, the agencies did not rank the individual country requests. We have done so below in terms of their consistency with the development criteria you approved last fall and the urgency of the need.

1978 P.L. 480 Title I (in \$ millions)	Current Allocation	Proposed Increment	Agency Request
Bolivia	9.4	1.4	10.8
Bangladesh	51.6	27.0	78.6
Peru	20.0	5.0	25.0
Tunisia	11.2	10.2	21.4
Portugal	40.0	5.0	45.0
Egypt	189.1	15.5	204.6

* This week's House action to delete the FY 79 Korea program would reduce the anticipated 1979 deficit somewhat, but would otherwise not affect State's request or our recommendation.

(a) Bolivia and Bangladesh (\$28 million). These requests are to support well-designed development programs which meet the criteria for P.L. 480 you set this last fall. Although the \$28M cost of these two items exceeds the now-identified \$15M 1978 surplus, some of the overage could be covered by subsequent cancellations of other programs between now and October 1. Any residual deficit could be met by giving these two programs higher priority than competing FY 1979 programs when time comes to allocate FY 1979 funds. We therefore recommend approval of these two programs.

(b) Peru and Tunisia (\$15 million). These two middle-income developing countries have balance of payments difficulties which the proposed P.L. 480 programs are intended to alleviate. These programs generally meet your criteria for Title I, but are of lower priority than Bolivia and Bangladesh. There will not be enough FY 1978 money to fund them. They should be considered as serious claimants when the time comes to allocate FY 1979 P.L. 480 funds.

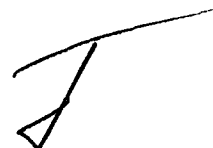
(c) Portugal and Egypt (\$20 million). These programs are intended to show political support for friendly regimes. In our view, they do not meet the criteria for P.L. 480 programs that you approved and made public last fall. Approval of these requests would thus weaken efforts to re-orient the P.L. 480 program toward greater emphasis on economic stabilization and development. While recognizing the political importance of both countries, we believe that the increments requested are too small relative to the aid these countries are already receiving to be of economic significance. They would thus probably also be of limited political benefit.

- The Portugal program would add \$5 million to a U.S. aid program of \$350 million. If additional assistance proves needed to reach a base rights agreement, we believe Security Supporting Assistance would be a more appropriate funding mechanism.
- The Egypt program would add \$15.5 million to a total U.S. aid program of nearly \$1 billion. This \$1 billion includes almost \$190 million of P.L. 480 to meet the commodity pledge of 1.5 million tons which Ambassador Eilts considered of great importance to President Sadat. To fulfill this pledge, the allocation for Egypt has gradually risen from an initial September allocation of \$156 million to its current \$190 million level; the latest add-on of \$13 million was made just a few weeks ago. This is not an especially critical period for Egypt's economy, and your advocacy of jet aircraft was clearly a more significant demonstration of political support for Egypt than any marginal P.L. 480 add-on.

4. NSC Staff Views. NSC staff members concerned with Portugal and Egypt (Bob Hunter, Bill Quandt, and Gary Sick, respectively) strongly support the proposed programs; Hunter suggests the Portuguese add-on be quadrupled in size. Their reasons are outlined in Tab B.

5. Presidential Decisions.

- (a) Approve the proposed 6-country program requiring an FY 1979 supplemental request to the Congress for \$49 million. (Agency request) _____
- (b) Approve no request to the Congress for additional funds, with priority in allocating the remaining 1978 reserve and assigning FY 1979 P.L. 480 to Bolivia and Bangladesh; Peru and Tunisia to be considered meritorious claimants when time comes to allocate FY 1979 P.L. 480 resources, and if additional funds become available before then through unforeseen shortfalls. (OMB/Owen recommendation) _____



RECEIVED

THE SECRETARY OF STATE
WASHINGTON

78 MAY 22 P 4: 50

May 22, 1978

~~CONFIDENTIAL~~

MANAGEMENT & BUDGET

MEMORANDUM FOR: JAMES T. MCINTYRE, JR.
OFFICE OF MANAGEMENT AND BUDGET

FROM: Cyrus Vance *crw*

SUBJECT: Additional Fiscal Year 1978
Title I PL 480 Assistance

State, AID and USDA have carefully reviewed PL 480 programming requirements for the remainder of FY 78. We are presenting a request which we believe serves the multiple objectives of the PL 480 program, including development and pressing foreign policy requirements. Increased budget authority from the Congress for FY 78 would not be required. Since the PL 480 program is part of the USDA budget, Secretary Bergland will be also sending you a request for increased program authority in FY 78 containing the proposals outlined below. We would appreciate your bringing this matter to the President's attention.

We propose that the following priority programs be undertaken:

-- Egypt - 115,000 metric tons wheat; \$15.5 million

We regard this program as an extremely high foreign policy priority in responding to President Sadat's request and in demonstrating continued US support for his efforts to bring about a peaceful solution to the Middle East dispute.

-- Bangladesh - 200,000 metric tons wheat; \$27.0 million

This program supports economic development objectives in Bangladesh by ensuring sufficient grain

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GDS

DECLASSIFIED

Per: Rac Project

ESDN: NLG-126-13-12-1-3

BY *KS* NARA DATE *6/7/13*

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- 2 -

stocks as the Bangladesh government undertakes needed but difficult reforms in their food rationing system.

-- Bolivia -- 10,000 metric tons wheat; \$1.4 million

This is a Title III program initiated this year to support projects in rural development and health.

-- Tunisia - 80,000 metric tons wheat/corn; \$10.2 million

This program provides relief to Tunisia which is suffering from a serious and continuing drought.

In addition, if funds are made available, we propose the following programs be undertaken:

-- Peru - 6,000 tons edible oil; \$5 million

Additional PL 480 for Peru would provide support for the difficult economic stabilization program undertaken by that country, crucial for Peru's long-run development.

-- Portugal - 37,000 metric tons wheat; \$5 million

This program is similar to that of Peru in providing support for a difficult stabilization program essential to the long-term growth of Portugal.

Our understanding is that a reserve of \$24.3 million remains unallocated for the Title I program after the recently committed \$17.5 million program for Indonesia and the \$3.7 million for Zambia.

The four programs in our high-priority package, plus the two additional programs for Portugal and Peru, add up to \$64.1 million, requiring an increase in program authority of \$39.8 million for FY 78. This increase would not require a supplemental budget request to Congress at this time, since \$156 million in unprogrammed funds remain in the FY 78

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-3-

Title I budget. However, this \$156 million is currently planned as part of the financing of the FY 79 Title I program. An increase in FY 78 would have to be deducted from the planned FY 79 PL 480 budget. It will necessitate a budget supplemental in FY 79 to maintain our Title I budget of \$785 million planned to finance 5.1 million tons of commodities.

The additional country program requirements were created by significantly changed circumstances during this fiscal year:

- Rising prices have eroded our ability to finance originally planned commodity levels for FY 78. We estimate that the quantity level has been reduced by almost 700,000 metric tons or by 12% of the originally planned commodity levels for PL 480 Title I.

- A number of countries have a need for additional Title I assistance beyond that which we had originally anticipated.

- Unanticipated opportunities have arisen to use PL 480 assistance - Title I and Title III - to make an effective contribution to economic development in recipient countries.

The circumstances necessitating each of these additional requests are described below in the paper appended at Tab 1.

We ask, therefore, for authorization to use \$40 million from available fiscal year 1978 funds for the purposes outlined in this memorandum to increase program authority from \$800 million to \$840 million. Should you require any additional information before conveying this request to the President, we would be pleased to supply it to you.

~~CONFIDENTIAL~~

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TAB 1

Public Law 480 Title I Fiscal Year 1978
Justifications for Additional Allocations
(in Alphabetical Order)

The PL 480 program serves the multiple objectives of meeting urgent food needs abroad, encouraging economic development, promoting US exports, supporting a strong and viable US farm economy, and serving pressing US foreign policy objectives. The President has indicated that he would especially like to see a stronger development orientation in the overall program. We believe that the following proposed programs for the remainder of FY 78 reflect these multiple objectives:

Bangladesh (200,000 MT wheat; \$27.0 million)

Our mission in Dacca has requested an additional 200,000 metric tons of wheat over the 200,000 metric tons currently programmed. (If time permits, this program will be negotiated as a Title III program. In any case, a Title III program is proposed for FY 79.) Because of higher consumption and lower grain import levels, it is now expected that grain stocks for the food ration system will be significantly lower this summer than previously anticipated. Adequate stocks are vital to the successful initiation of a proposed Title III program this year or next to provide the assurance of annual wheat imports in exchange for specific long-term food policy reforms by Bangladesh.

A preliminary concept paper which focuses on using the wheat imports and local currency generation to stabilize foodgrain prices has been prepared by the Agency for International Development. The paper is now being reviewed by concerned agencies. Discussions are also taking place with the Bangladesh Government.

Bolivia (10,000 MT wheat; \$1.4 million)

This proposal, added to the 80,000 metric tons of wheat already allocated to Bolivia, would complete the first year's requirement of a Title III program in Bolivia. The Government of Bolivia has asked for a five-year PL 480 Title III program to help finance additional activities in rural development and health. The program, to be

~~CONFIDENTIAL~~

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financed through the sale of 750,000 metric tons of wheat in Bolivia, the poorest country in South America, includes funding for 16 separate sub-projects which are designed to address key constraints to development in the rural sector and to complement AID's agriculture and rural development program, particularly development of cooperatives, small farmer credit, rural roads, strengthened regional development committees and preparing rural development studies.

The sub-projects are targeted on the rural poor with the small farmer as the primary beneficiary in most of the sub-projects.

Egypt (115,000 MT wheat; \$15.5 million)

Under the current PL 480 program, Egypt will receive 1.5 million tons of wheat in FY 78, worth \$176.5 million. Recent USDA estimates indicate that their wheat import needs for the remainder of FY 78 are 650,000 metric tons. (However, the exact figures on Egyptian needs are uncertain at this date. A few days ago our embassy in Cairo reported that the Egyptians may purchase 1.3 million metric tons of wheat from France. But some of Egypt's earlier planned purchases from Australia, amounting to 1 million tons of grain, might be delayed.)

Past experience demonstrates the political importance of ensuring adequate food supplies, particularly as the Egyptians continue to implement the economic reform package negotiated with the IMF. (We had considered conditioning this additional PL 480 food on reaching agreement on a Title III program, but we concluded there was too much uncertainty about our capacity to complete negotiations in time to ship the wheat this year. We intend to develop a significant Title III program in Egypt next year, tied directly to further economic reforms.) We regard this program as having high political priority. It responds in part to a request by the Egyptians for a much larger additional program this year (500,000 tons of wheat), a request which President Sadat mentioned on his last visit to Washington directly to Secretary Bergland. Moreover, it demonstrates continuing US support for Sadat and his efforts to achieve peace in the Middle East. It is our most visible aid program which impacts directly on a sensitive domestic political issue (food) and a volatile element, the urban middle and lower income groups.

~~CONFIDENTIAL~~

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- 3 -

Peru (6,000 edible oil; \$5 million)

The Peruvian Government faces an extremely difficult balance of payments situation stemming from a large trade deficit (caused partially by depressed copper prices) and heavy foreign debt obligations. Peru has been unable to comply with its present IMF program, and we expect either a drastic new policy to permit compliance or renegotiation of a new program. In either case, there will be a severe austerity program, and adequate provision of essential imports will be critical to winning public support for the measures. Furthermore, the budgetary restrictions arising from the current austerity program have made it impossible for Peru to meet some of its obligations for some critical development programs. Additional PL 480 assistance for Peru is important in its progress toward elections and constitutional government, and to provide local currency funding necessary to continue important development projects.

Portugal (37,000 MT wheat; \$5 million)

Portugal is faced with a severe balance of payments deficit which is expected to reach \$1 billion in 1978 despite implementation of the economic stabilization program now being developed with the IMF.

In anticipation of IMF recommendations for reducing Portugal's balance of payments deficit by a third, the government in early April cut subsidies for gas, water, electricity and public transport and increased their costs by 30-60 percent. On April 7, government subsidies for basic foodstuffs were reduced; prices of these items are expected to rise 20.6 percent. Even with successful conclusion of current negotiations with the IMF on a second credit tranche agreement which will permit release of over \$600 million in balance of payments assistance from the 14-country international lenders groups, Portugal could have an uncovered external financial gap of \$200-400 million this year. Public discontent over the austerity measures could have an unsettling effect on the consolidation of the country's two-year old democracy.

Portugal imports nearly half its food. It is becoming

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

-4-

an important market for US agriculture: the United States alone shipped \$413 million in food and feed grains to Portugal in 1977. A supplemental \$5 million in PL 480 would bring total fiscal year 1978 PL 480 Title I sales to Portugal to \$45 million. Such an amount would provide reassurance of continued American support for Portugal's efforts to restructure and stabilize its economy and help to mitigate the effects of austerity measures as they cut into real income, already below pre-revolution levels. The additional funds generated for self-help projects will assist the Portuguese in developing storage facilities, marketing information, slaughter houses, and food distribution systems, all of which are viewed as key elements in the reform of the agricultural sector and important to Portugal's goal of achieving greater self-sufficiency in food production.

Tunisia (80,000 MT grains; \$10.2 million)

Last fall, Tunisia asked for 150,000 metric tons of wheat and 60,000 metric tons of corn under Title I to meet extraordinary import requirements caused by the 1976-77 drought, which reduced food and feedgrain production to almost half their normal level. Thus far, we have been able to provide 80,000 tons of wheat and 25,000 tons of corn toward this request. With continuation of the drought into the current 1977-78 growing season, import need has grown even more. Grain import needs continue to grow as no forage stocks exist and much of the country's livestock is in a seriously weakened condition. The Tunisian Government expects that two or three years will be needed to restore feed production to levels sufficient to balance needs.

The need for greatly increased food and feedgrains imports--including large commercial purchases in the US--comes at a particularly difficult time for Tunisia. The country's economy and foreign exchange earnings have been seriously affected by depressed European economic conditions, resulting in weak prices for its basic commodity exports and problems in traditional agricultural and industrial export markets. Foreign exchange reserves have fallen well below the three-month level of imports. Moreover, this deterioration coincides with the launching

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

-5-

of Tunisia's ambitious new Five Year Plan in mid-1977, with its three principal goals of increased employment, achievement of agricultural self-sufficiency, and more equitable distribution of income. The extraordinary resource requirements arising from the drought seriously threaten achievement of these widely endorsed "new directions" goals unless substantial concessional relief is provided. Finally, Tunisia is a growing market for US grain exports. Responding now to their needs may support continued future expansion of US commercial grain exports for that country. Thus, this request serves humanitarian, economic development, and possibly market development objectives of PL 480.

THE SECRETARY OF STATE
WASHINGTON

7811557

LIMITED OFFICIAL USE

June 12, 1978

MEMORANDUM FOR: JAMES T. MCINTYRE, JR.
OFFICE OF MANAGEMENT AND BUDGET

FROM: Cyrus Vance

SUBJECT: Additional Fiscal Year 1978
Title I PL 480 Assistance

As the result of recent price increases, the Department of Agriculture has determined that an additional \$12.6 million will have to be added to our current Title I agreement with the Arab Republic of Egypt to ensure shipment of the full 1.5 million metric tons in that agreement. This tonnage level represents the American Government's commitment to the Government of Egypt. In view of this added requirement, I wish to amend my memorandum to you of May 22 which asked for approval of an additional \$40 million for fiscal year 1978 Title I programing. I now ask approval of a further \$12.6 million for this year's Title I program, making the total request \$52.6 million.

The \$12.6 million to be added to the existing Title I agreement with Egypt is our first priority. This in no way diminishes the importance I attach to the request contained in my May 22 memorandum on this same subject.

I would appreciate an expeditious reply to this amended supplemental request as only four months remain in the fiscal year. I understand that the Secretary of Agriculture is sending a similar request.

C. Vance

LIMITED OFFICIAL USE



RECEIVED

DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON, D. C. 20250

*For Mr. Carter
cc Mr. Gandy*

78 MAY 23 P 2: 32

~~CONFIDENTIAL~~

May 23 1978

OFFICE OF
MANAGEMENT & BUDGET

Honorable James T. McIntyre, Jr.
Director, Office of Management
and Budget
17th and Pennsylvania Ave., N.W.
Washington, D.C. 20503

Dear Mr. McIntyre:

State, AID and USDA have carefully reviewed P.L. 480 programming requirements for the remainder of FY 1978. We have prepared a request which we believe serves the multiple objectives of the P.L. 480 program, including development and pressing foreign policy requirements. Increased budget authority from the Congress for FY 1978 would not be required. I would appreciate your bringing this matter to the President's attention.

We propose that the following priority programs be undertaken:

-- Egypt - 115,000 metric tons wheat; \$15.5 million

We regard this program as extremely high foreign policy priority in responding to President Sadat's request and in demonstrating continued U.S. support for his efforts to bring about a peaceful solution to the Middle East dispute.

-- Bangladesh - 200,000 metric tons wheat; \$27.0 million

This program will support economic development objectives in Bangladesh by ensuring sufficient grain stocks as the Bangladesh Government undertakes needed but difficult reforms in their food rationing system.

-- Bolivia - 10,000 metric tons wheat; \$1.4 million

This completes a Title III program initiated this year to support projects in rural development and health.

~~CONFIDENTIAL~~

DECLASSIFIED

Per: Rac Project

ESDN: NLC-126-13-12-1-3

BY KB NARA DATE 6/7/12

-- Tunisia - 80,000 metric tons wheat/corn; \$10.2 million

This program will provide relief to Tunisia which is suffering from a serious and continuing drought.

In addition, if funds are made available, we propose the following programs be undertaken:

-- Peru - 6,000 tons oil; \$5 million

Additional P.L. 480 for Peru will provide support for the difficult economic stabilization program undertaken by that country, crucial for Peru's long-run development.

-- Portugal - 37,000 metric tons wheat; \$5 million

This program is similar to that of Peru in providing support for a difficult stabilization program essential to the long-term growth of Portugal.

Our understanding is that \$24.3 million remains unallocated from the FY 1978 Title I program after the recently committed \$17.5 million program for Indonesia and the \$3.7 million for Zambia.

The four programs in our high priority package, plus the two additional programs for Portugal and Peru, add up to \$64.1 million, requiring an increase in program authority of \$39.8 million for FY 1978. This increase would not require a supplemental budget request to Congress at this time, since \$156 million in unprogrammed funds remain in the FY 1978 Title I budget. However, this \$156 million is currently planned as part of the financing of the FY 1979 Title I program. An increase in FY 1978 would have to be deducted from the planned FY 1979 P.L. 480 budget and necessitate a budget supplemental in FY 1979 if we are to maintain our planned Title I dollar level for that year of the \$785 million, which was budgeted to finance 5.1 million tons of commodities.

The additional country program requirements were created by changed circumstances during this fiscal year.

-- Rising prices have eroded out ability to finance originally budgeted commodity levels for FY 1978. We estimate that the quantity level has been reduced by almost 700,000 metric tons or by 12 percent of the originally planned commodity levels for P.L. 480 Title I.

-- A number of countries have a need for additional Title I assistance beyond that which we had originally anticipated.

CONFIDENTIAL

3

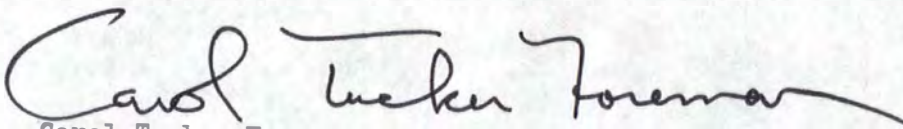
-- Unanticipated opportunities have arisen to use P.L. 480 assistance -- Title I and Title III -- to make an effective contribution to economic development in recipient countries.

The circumstances necessitating each of these additional requests are described in the enclosed paper.

We ask, therefore, for authorization to use \$40 million from available fiscal year 1978 funds for the purposes outlined in this letter to increase program authority from \$800 million to \$840 million. Should you require any additional information before conveying this request to the President, we would be pleased to supply it to you.

I understand that Secretary Vance is sending a similar letter supporting this request.

Sincerely,

A handwritten signature in cursive script that reads "Carol Tucker Foreman". The signature is fluid and extends across the width of the page.

Carol Tucker Foreman
Acting Secretary

Enclosure *

CONFIDENTIAL

* Same as in Vance memorandum



DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON, D. C. 20250

~~CONFIDENTIAL~~

June 9 1978

Honorable James T. McIntyre, Jr.
Director, Office of Management
and Budget
17th and Pennsylvania Ave., N.W.
Washington, D.C. 20503

Dear Mr. McIntyre:

As part of our continuing management of the Title I program, we have determined that an additional \$12.6 million will have to be added to the current Title I agreement with Egypt to insure shipment of the full 1.5 million tons in that agreement. This tonnage level represents the U.S. government commitment to the Government of Egypt. In view of this additional requirement, I wish to amend my letter of May 23rd to you which requested approval of an additional \$40 million for fiscal year 1978 Title I programing. I now request approval of an additional \$52.6 million for this year's Title I program.

The \$12.6 million to be added to the Title I agreement with Egypt would now become our first priority. The other country needs, as ranked by priority in my earlier letter, continue in the same order after the \$12.6 million for Egypt.

An expeditious reply to this amended supplemental request will be greatly appreciated. I understand that Secretary Vance is sending a similar letter supporting this amended request to you.

Sincerely,

Carol Tucker Foreman
Acting Secretary

~~CONFIDENTIAL~~

DECLASSIFIED

Per, Rac Project

ESDN; NLC-126-13-124-3

BY 15 NARA DATE 6/7/13

TAB B

~~CONFIDENTIAL GDS~~

NSC Staff Comments on PL 480 Requests
for Egypt and Portugal

Egypt. Secretary Vance's proposal for an additional \$15.5 million in Title I assistance during FY 1978 will permit the purchase of 115,000 metric tons of wheat. There is no question that this grain would go directly to hungry people. Sadat is fighting an uphill battle with his domestic economy, and his margin for compromise in the peace process may prove to be no greater than his margin of support at home. The food riots of January 1977 were the greatest internal challenge to his regime since the period immediately after he took office, and domestic economic pressures are building up once again. Approval of this request, although considerably less than President Sadat originally requested of Secretary Bergland, would still be recognized as a tangible gesture of support for Sadat and help assure the stability of his government at a particularly delicate moment.

Portugal. A \$15 million increase should be made in Secretary Vance's request for \$5 million in PL 480 Title I assistance for Portugal. While Portugal is not strictly a developing country, PL 480 funding -- of \$20 million -- would be of considerable help to it both economically and politically. Economically, Portugal imports about one-third of its food (and one-half of total agricultural goods, including livestock feed); and food imports are the single most important drain on the Portuguese balance of payments, which is its current critical problem. Because of the terms of the austerity program negotiated with the IMF -- plus the influx of 600,000-plus returnees from Africa -- further PL 480 assistance would help in carrying Portugal through a most difficult period. In addition, extra PL 480 funding would serve as a sweetener in the final stages of the Lajes Base Negotiations (on which we are awaiting a Portuguese response). In particular, the counterpart funds generated by the sale of these commodities could be used for Azorean economic development.

DECLASSIFIED

Per, Rac Project

ESDN; NLC-126-13-12-1-13

BY KS NARA DATE 6/7/13

CONFIDENTIAL GDS

THE WHITE HOUSE
WASHINGTON

6/30/78

Mr. President:

Jody will bring Mr. John Picton
of the Toronto Globe & Mail with
him today to get a photo.

Phil



THE WHITE HOUSE

WASHINGTON

June 29, 1978

MEETING WITH FATHER HESBURGH

Friday, June 30, 1978
1:45 pm (10 minutes)
The Oval Office

From: Frank Press *FP*

I. PURPOSE

Primarily to report on progress in the U.S. preparations for the 1979 UN Conference on Science and Technology for Development (UNCSTD). You appointed Father Hesburgh as US Ambassador to the Conference last year.

II. BACKGROUND, PARTICIPANTS AND PRESS PLAN

Background: The Conference will be a major forum for discussing North/South issues, and may be an occasion for the developing countries to make a major drive for concessions on transfer of technology by international companies and other issues. On the other hand, it also provides an opportunity for the US to announce and discuss policies with substantial publicity and attention. The creation of the Foundation for International Technological Cooperation (FITC) which you approved as part of AID re-organization and which should be operating by then, should be a major part of the US stance at the Conference. So many promises with regard to technology have been made and gone unfulfilled in the past, that FITC actually in being with operating programs will have a substantial impact.

Father Hesburgh believes that the Conference will be an important occasion for you to advance your commitments in support of development and the abolition of poverty. In addition, he will report on progress on the Conference preparations, indicating they are going well, but require more cooperation from other Federal agencies. He may ask for a directive from you calling for enhanced cooperation from Departments and Agencies. Father Hesburgh may express concern over the attitude of labor to the transfer of technology and his hope of involving them more in the Conference.

Father Hesburgh will also report on the importance for the Conference of establishing particular elements of a US position on North/South issues. The FITC will be a major piece of that, but also the results of the present PRM-33 devoted to technology and development policy issues will be important. That PRM will single out the FITC, but will also propose policy options with regard to proprietary technology, to technological cooperation with middle-tier developing countries, and to institution-building in LDC's.

Participants: The President, Father Theodore Hesburgh, Undersecretary Lucy Benson, Ambassador Jean Wilkowski (US Ambassador), Frank Press

Press Coverage: White House Photographer

III. TALKING POINTS

1. You are committed to the FITC, as a means of mobilizing US science and technology on behalf of developing countries and have announced it in two speeches (Venezuela and OAS). You are looking to Governor Gilligan, working with Frank Press, to bring it into being next year. A full-time planning office is being established now to develop specific programs and structure.
2. The UN Conference should be a major forum for expressing your views on US policy for development, and your commitment to eliminating absolute poverty. A target date should be avoided at this time.
3. The critical importance of support in the Congress for foreign aid in general is worth emphasizing. Father Hesburgh's voice, and that of his colleagues on the Conference steering committee, and others he can enlist can be extremely valuable in convincing the Congress of the support of the American people.
4. It is clearly important that we learn how to tap more effectively the great technological strength of the US in assisting other countries to develop their own technology. In some cases there may be some temporary job displacement as a result, but in the long run we can only benefit by strong, developing economies providing new markets for our exports. Our competitive position will be determined by our capability to innovate and stay strong at home, not by how much technology we export.

THE WHITE HOUSE
WASHINGTON

June 30, 1978

Jack Watson

The attached was returned in the President's outbox today and is forwarded to you for your information. The signed original has been given to Frank Moore's office for delivery.

Rick Hutcheson

cc: Frank Moore

THE WHITE HOUSE

WASHINGTON

June 22, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: JACK WATSON *Jack*
BRUCE KIRSCHENBAUM *OK*

SUBJECT: Northeast-Midwest Coalition Request
for Base Realignment Moratorium

You have had a long standing request from the Northeast-Midwest Congressional Coalition (as well as CONEG) to declare a moratorium on base realignments in the Northeast-Midwest 16-State region. The Coalition has recently issued a report criticizing the latest round of realignment "candidacies" as still prejudicing to their region. (Their report is really an unfair use of statistics.)

The Coalition now requests a meeting with you on the moratorium issue. We recommend that you do not meet with them. Instead, the attached letter has been drafted for your signature. We circulated the draft to all senior staff and have incorporated the comments we received. After you approve the text, Frank Moore's office would prepare the individual letters to the members of the Coalition.

Attachment

THE WHITE HOUSE

WASHINGTON

June 30, 1978

To Congressman Mike Harrington

Knowing of your deep concern about military base realignments, and in light of your recent study of the issue, I want to bring you up to date on my thinking on the matter.

During the past several months, I have spoken with many members of Congress about domestic military installations and have met with individual members and various State delegations to discuss the impact on States, localities and regions. In each of those meetings, I have emphasized that my overriding responsibility is to ensure that our Nation's defenses are as effective and efficient as possible. I have also said that, according to all the evidence, we now have too many bases in the United States for the size and missions of our services.

I know that you and others are concerned about seemingly disproportionate reductions of military presence in certain areas of the country. I want to reiterate three important points:

- There must be no bias for or against any region, State or area of the country in making decisions as to which bases should be realigned and how.
- Every decision concerning mission consolidation or base realignment must be based on thorough, impartial, well-reasoned evaluation of the merits of each case. I have asked the Department of Defense to work with all interested parties in making these evaluations.
- The evaluations should take into account not only the military missions and total federal cost savings, but also the environmental and economic impacts on the affected communities. I confirmed this policy in an Executive Order issued on March 27, 1978, in which I outlined new guidelines and procedures for the Federal government's economic adjustment assistance efforts. (A copy of that Executive Order is attached for our information.)

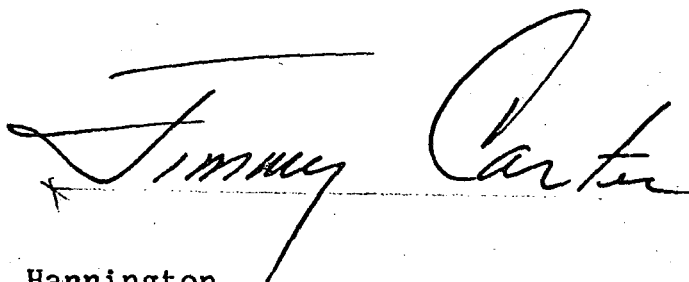
As you know, I announced, as part of my urban policy, an effort to target Federal government procurement, to economically distressed areas. The details of this effort, otherwise known as DMP #4, are being worked out now. This undertaking would mean substantial benefits for economically distressed areas of the country.

I cannot support a moratorium on base realignment. I believe that such action would only postpone difficult decisions, rather than resolving them, and would severely impair our efforts to eliminate unnecessary costs in the Defense budget.

As for the location of troops returning from Korea, the issue is being reviewed by Secretary Harold Brown, who is keenly aware of your concerns. I understand that he plans to make his decision this summer.

Finally, I want to underscore my conviction that a strong partnership between the private sector and Federal, state, and local governments is the most effective tool for economic recovery and revitalization. The purpose of the policies and programs I have instituted in Congress with your help -- for community and economic development, urban revitalization, manpower training and employment (including the whole thrust of my recently announced urban policy) -- is to stimulate this partnership and to make the greatest possible use of private investment through targeted federal expenditures. I appreciate your support of those important efforts and assure you of my own continuing commitment to them.

Sincerely,

A handwritten signature in cursive script, reading "Jimmy Carter". The signature is written in dark ink and is positioned above the typed name and address.

The Honorable Michael J. Harrington
Chairman
Northeast-Midwest Economic
Advancement Coalition
U.S. House of Representatives
Washington, D.C. 20515

THE WHITE HOUSE
WASHINGTON

6/29
IP w/
typists -
Watson memo
has made
changes
MEMORANDUM

Date: June 28, 1978

FOR ACTION:

Jim Fallows *attached*

FOR INFORMATION:

Stu Eizenstat
Fran Voorde

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Watson memo re Northeast-Midwest Coalition Request
for Base Realignment Moratorium

YOUR RESPONSE MUST BE DELIVERED
TO THE STAFF SECRETARY BY:

TIME: 9:00 AM

DAY: Friday

DATE: 30 June 1978

ACTION REQUESTED:

☐ Your comments

Other:

STAFF RESPONSE:

☐ I concur.

☐ No comment.

Please note other comments below:

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

THE WHITE HOUSE

WASHINGTON

June 22, 1978

MEMORANDUM FOR THE PRESIDENT

FROM:

JACK WATSON *Jack*
BRUCE KIRSCHENBAUM *BK*

SUBJECT:

Northeast-Midwest Coalition Request
for Base Realignment Moratorium

You have had a long standing request from the Northeast-Midwest Congressional Coalition (as well as CONEG) to declare a moratorium on base realignments in the Northeast-Midwest 16-State region. The Coalition has recently issued a report criticizing the latest round of realignment "candidacies" as still prejudicing to their region. (Their report is really an unfair use of statistics.)

The Coalition now requests a meeting with you on the moratorium issue. We recommend that you do not meet with them. Instead, the attached letter has been drafted for your signature. We circulated the draft to all senior staff and have incorporated the comments we received. After you approve the text, Frank Moore's office would prepare the individual letters to the members of the Coalition.

Attachment

THE WHITE HOUSE
WASHINGTON

Conc
To Mike Harrington

Knowing of your deep concern ~~with the subject~~ *about* of military base realignments, and in light of your recent study of the issue, I want to bring you up to date on my thinking on the matter.

During the past several months, I have spoken personally with many members of Congress ~~on the subject of domestic military installations~~ *about* and have met with individual members and various State delegations to discuss the ~~socio-economic impacts of base realignments on States, localities and regions. In every one of those meetings, I have reaffirmed my commitment to ensure that the country has the most effective and efficient armed forces structure possible.~~ *each* The evidence, *I have* clearly indicates that we have too many bases in the United States for the size and missions of our services. *also said that, brushing to CU*

I know that you and others are Some concern has been expressed about a seemingly disproportionate reduction of military presence in certain areas of the country, *and* I want to reiterate three important points ~~on the subject of military base realignments.~~

- There must be no bias for or against any region, State or area of the country in making decisions as to which bases should be realigned and how.

emphasized that my overriding responsibility is to ensure that our nation's defenses are as

- Every decision concerning mission consolidation or base realignment must be based on thorough, impartial, well-reasoned evaluation of the merits of each case. I have asked the Department of Defense ~~to make~~ *is making* these evaluations working with all interested parties.

- The evaluations should take into account not only the military missions and total federal cost savings, but also the environmental and economic impacts on the affected communities. I confirmed this policy in an Executive Order issued on March 27, 1978, in which I outlined new guidelines and procedures for the Federal government's economic adjustment assistance efforts. (A copy of that Executive Order is attached for your information.)

As you know, I announced, as part of my urban policy, an effort to target Federal government procurement, including Defense procurement, to economically distressed areas. The details of this effort, otherwise known as DMP #4, are being worked out now. ~~The potential benefits of such an undertaking for economically distressed areas of the country are substantial.~~

I cannot support a moratorium on base realignment. I believe that such action would only postpone ~~the making of~~ difficult decisions, and severely impair our efforts to eliminate unnecessary costs in the Defense budget.

*rather than
resolving them,*

*This
undertaking
would
be
substantial*

As for the ~~question concerning the location~~
of troops returning from Korea, the issue is
being reviewed by Secretary Harold Brown, who
is keenly aware of your concerns ~~as I am~~. I
understand that ~~a decision will be forthcoming~~
~~on that issue this summer.~~

he plans to make his

Finally, I want to underscore my conviction
that the most effective tools for economic
recovery and revitalization lie in strong
private sector partnerships with Federal,
State and local governments. The policies
and programs I have instituted with your help
in Congress for community and economic
development, urban revitalization, manpower
training and employment (including the whole
thrust of my recently announced urban policy)
is ~~are specifically designed to stimulate those~~
~~partnerships and to leverage private sector~~
~~investment to the fullest extent possible~~
with targeted federal expenditures. I
appreciate your support of those important
efforts and assure you of my own continuing
commitment to them.

The purpose
of

-- for

this

make the
greatest
possible
use
of

Sincerely,

through
A strong partnership
between the private sector
and Federal, state, and
local


The Honorable Michael J. Harrington
House of Representatives and
Chairman, Northeast-Midwest Economic
Advancement Coalition
Washington, D.C. 20515

govt's
is

MEMORANDUM

THE WHITE HOUSE
WASHINGTON

MEMORANDUM TO THE PRESIDENT

FROM: LONDON BUTLER 
DATE: JUNE 30, 1978
SUBJECT: DAVID McCULLOUGH

Attached is a letter from David McCullough thanking you
for taking him on the trip to Panama.

David McCullough • West Tisbury, Massachusetts 02575

June 21, 1978

Dear Mr. President:

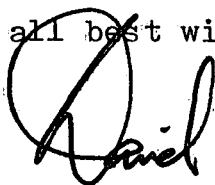
You were magnificent at Panama, you and Mrs. Carter were both magnificent, and the effect of your visit will be very great and long lasting. How you held up as you did, I'll never know. Thank heaven for your stamina and good spirits. And for that spectacular, altogether unseasonable weather! History, I trust, will also record that the gods too, no less than those tens of thousands of Panamanians, looked favorably on your being there.

I can't help but wonder what your feelings were as you looked out over the Fifth of May Plaza. What an incredible moment it was. I know I've never experienced anything even remotely like it; nor can I think of anything comparable in the history of the presidency. Rosalee and I were standing directly below and while we couldn't see the crowd, we certainly could feel it. You remember how in Lord Jim when Conrad wanted you to feel the typhoon he took you down into the hold, packed with life, well that is something the way we "measured" that crowd.

But I think it was seeing you walk alone across the lock gates at Miraflores that was the most moving moment for us, having dealt so long with the human story of the canal itself and knowing you and all that you have done personally over the past year to achieve this momentous transition point. Every eye was on you and none who were there will ever forget it.

Rosalee joins me in wishing you and Mrs. Carter our warmest congratulations on your triumph. Thank you for taking us along.

With all best wishes,



3:15 PM
3:15

THE WHITE HOUSE

WASHINGTON

June 28, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: JIM FALLOWS, ^{JL} CARYL CONNER ^{CC}

SUBJECT: Talking Points for Swearing-in of Chairman, Joint
Chiefs of Staff; Chief of Staff, Air Force; Chief
of Naval Operations, Friday, June 30

Attached are:

- a) Talking Points prepared in this office, and
- b) A draft text prepared by the Pentagon public
information office at the request of Secretary
Brown.

The talking points prepared here include much of the Pentagon material, and emphasize the primary concern expressed by Tom Ross, Asst. Secretary for Public Affairs: that you re-state your commitment to a strong military establishment before this audience. The Pentagon draft is attached FYI.

THE WHITE HOUSE

WASHINGTON

SWEARING IN OF GENERAL DAVID C. JONES
AS CHAIRMAN OF THE JOINT CHIEFS OF STAFF,
GENERAL LEW ALLEN AS CHIEF OF STAFF OF
THE AIR FORCE, AND ADMIRAL THOS. B.
HAYWARD, AS CHIEF OF NAVAL OPERATIONS
THE PENTAGON

FRIDAY - JUNE 30, 1978

From: Phil Wise

SEQUENCE

3:00 p.m.

You board motorcade on South Lawn
and depart en route the Pentagon.

(Driving Time: 10 minutes)

3:10 p.m.

Motorcade arrives the Pentagon
(River Entrance).

OPEN PRESS COVERAGE

You will be met by:

Secretary Harold Brown
General David C. Jones, USAF, Chairman
of the Joint Chiefs of Staff Designate
Admiral Thomas B. Hayward, USN, Chief
of Naval Operations Designate
General Lew Allen, Jr., Chief of Staff
of the Air Force Designate

You proceed to announcement area (outside).

"Ruffles and Flourishes"
Announcement
"Hail to the Chief"

Escorted by the greeting committee, you
proceed to speaker's platform and
remain standing.

OPEN PRESS COVERAGE
ATTENDANCE: 2000

2.

NOTE: The Commander of the Honor Guard will turn and acknowledge you.

3:13 p.m. Secretary Brown introduces you.

3:15 p.m.

PRESIDENTIAL REMARKS.

FULL PRESS COVERAGE

3:25 p.m.

Your remarks conclude.

You and Secretary Brown distribute Certificates of Commission to the three Designates.

NOTE: Secretary Brown will hand the certificates to you. You should present them with your left hand to the left hand of the recipient, shake hands, and receive a salute.

You resume your place on the platform.

3:27 p.m. Remarks by General David C. Jones.

3:30 p.m. General Jones' remarks conclude.

You thank your hosts and proceed to motorcade for boarding.

3:34 p.m.

Motorcade departs en route Pentagon helopad.

3:35 p.m.

Motorcade arrives Pentagon helopad. Board helicopter.

3:40 p.m.

Helicopter departs Pentagon helopad en route Camp David, Maryland.

THE WHITE HOUSE

WASHINGTON

June 28, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: JIM FALLOWS, J. CARYL CONNER *CC*

SUBJECT: Swearing-In of Chairman, Joint Chiefs of Staff;
Chief of Staff, Air Force; Chief of Naval Operations

Background: The ceremony is scheduled to take no more than 15 minutes, including your remarks. You will walk directly to the stand, the troops will be presented, and you will speak. The sheepskins will be presented, General Jones will thank you, and you will leave immediately by helicopter for Camp David.

Talking Points:

1. The appointment of these supremely well qualified officers further reflects our determination to have a defense establishment second to none. Each of the incoming Chiefs represents the best of American military tradition -- training, experience, character and leadership. *Strategic / Political*

2. General David C. Jones: Chairman Joint Chiefs

a. Years of NATO background (pioneer in improved NATO military preparedness; cooperative ventures with Allies).

b. Commander in Chief, USAF in Europe 1971-1974.

c. Aide to General Curtis LeMay when LeMay headed the Strategic Air Command; over 300 hours in the air over North Korea -- and he still makes his own take-offs and landings.

d. A jogger who often runs to work -- no better way to conserve energy!

e. Worked hard to inspire the spirit of "a calling" rather than just "a job" in the Air Force; an articulate statesmanlike spokesman for strong national defense; understands people, is a great leader, manager, strategic thinker.

f. Very proud to name him to nation's top military post. I have great confidence in our security -- and General Jones is one of reasons for that confidence.

2. General Lew Allen, Jr.: Chief of Staff, Air Force

a. Didn't last very long as Vice Chief of Staff -- only served 5 days prior to nomination as Chief of Staff.

b. West Point graduate; flew Strategic Bombers (B29s and B36s) in the 1940s.

c. A strong scientific background (Ph.D. in physics; member National Academy of Engineering); participated as scientist and manager in nuclear weapons development and space systems development and operations.

d. Former Director National Security Agency; former Commander, Air Force Systems Command.

e. A command pilot with 4,000 flying hours. He won a dozen awards and decorations for distinguished service to our nation.

f. A man of logic, intellect and integrity. I am very proud to name him to head our Air Force.

3. Admiral Thomas B. Hayward: Chief of Naval Operations

a. Adm. Hayward was a year behind me at Annapolis but he's never been behind me since

b. Distinguished navy career includes combat with a Naval Fighter Squadron, a period as instructor at the Naval War College in Newport, Rhode Island; and broad range of staff and line assignments leading up to his most recent assignment as Commander-in-Chief of the Pacific Fleet.

c. Strong operational background; performed superbly in last Washington assignment as principle Navy officer for programming and budgeting.

d. Went to National War College (D.C.) and has a graduate degree in International Affairs from GW.

e. Adm. Hayward has always felt strongly about the importance of supporting his people, and he has made very clear that he is going to continue to make that a priority as Chief of Naval Operations. I am proud to name him to that post.

4. Conclusion:

a. The incoming Chiefs have demonstrated their ability to carry heavy responsibilities, and carry them well. As they take on their new and greater responsibilities I pledge the continuing commitment of my Administration to strategic nuclear and conventional forces able to meet any foreseeable challenge.

b. The United States can outthink, outdesign and outperform the Soviets at today's spending levels. Nonetheless, we are asking steady increases to ensure that the military capability of this nation is in the future, as it is today, second to none on earth.

c. It is a great pleasure to have the opportunity to swear in these distinguished and patriotic officers, and I look forward to their valuable advice and counsel to me, as Commander in Chief, on all matters affecting the security of our nation.

#

REMARKS PREPARED FOR DELIVERY BY THE PRESIDENT
AT THE SWEARING-IN CEREMONIES FOR
THE CHAIRMAN OF THE JOINT CHIEFS OF STAFF,
THE CHIEF OF NAVAL OPERATIONS, AND
THE CHIEF OF STAFF OF THE AIR FORCE
THE PENTAGON - WASHINGTON, D.C.
FRIDAY, JUNE 30, 1978

You incoming Chiefs have already carried heavy responsibilities.
You have carried them well. The burdens ahead of you will be even greater.

The United States and the Soviet Union will continue to cooperate --
and to compete -- for the foreseeable future. As this mixed relationship
proceeds, I have no doubt that the United States will remain the stronger
of the two. We have incomparable economic, political, ideological, and
technological advantages. We govern by consent, and our domestic cohesion
is the greater for it. Our allies have no doubts about the justice of
our common cause. But these fundamental advantages will serve us well
only if we maintain a strong defense. We will.

The military capabilities of the Soviet Union have improved sub-
stantially during the past fifteen years. But the Soviets have not
become militarily stronger than the United States. Their needs and
problems are different from ours. Where it counts, we and our allies
are fully capable of defending our interests.

Even a surprise attack on our strategic nuclear forces would have
no prospect of disarming us -- any more than we could disarm the Soviets
by striking first. Our surviving forces could cover a wide range of
targets in retaliation. They could also cause catastrophic damage to
the Soviet urban-industrial base. In these circumstances, I do not

see how the Soviets could expect to gain any meaningful advantage from starting such a mortal exchange. It should be equally difficult for the Soviets to believe that we would bow to the threat of such an attack. We would not.

We will keep the strategic nuclear balance stable, both with SALT and with our own defense programs.

The conventional balance is less certain. The Soviets today cannot be confident of victory in a non-nuclear conflict in Europe. But NATO, despite its basic strengths, needs to work toward more assurance of deterrence through improving conventional forces. We and our allies will do so. Elsewhere, we can project the power we need to protect our vital interests.

I know we still have difficult issues to resolve about the exact future direction of our naval forces. But the importance of the Navy is not in question. It is, and will remain, second to none.

We do not need to outspend the Soviets by a wide margin in order to assure our security. We are fully capable of outthinking, outdesigning, and outperforming them with the resources for defense that we have, and the steady increases we are requesting. With your dedication and support, I am confident that we will do precisely that.

1:00 PM

THE WHITE HOUSE

WASHINGTON

*Gus Schumacher +
Walt Wurfel are
apparently working
on a new memo w/
opening-talking points.*

June 29, 1978

MEMORANDUM FOR THE PRESIDENT

From: Walt Wurfel *WW*

Re: Your meeting with non-Washington editors,
1:00 pm, Friday, June 30

Jerry Rafshoon suggests that you focus your opening remarks on energy and the Steiger Amendment. (The news media are skeptical that your news conference opening statement signals unwavering determination to oppose it. They suspect it is merely an interim tactic.) Attached are briefing points on energy, plus the press conference statement on Steiger.

Despite the importance of these points, we run the danger of asking you to touch on too much in your initial remarks. If your opening remarks take 3 or 4 minutes, that will still leave about 20 minutes for questions before we go to the quick photo session at 25 minutes after the hour.

Before meeting with you this group will be briefed on civil service reform, the legislative veto, and energy policy. Later they will be briefed on urban policy, inflation and tax reform.

These participants come from 17 states. Seventeen are from newspapers; the remainder are broadcasters. A list is attached.

The regular photo pool will be in the room until the completion of your comments on energy and the Steiger Amendment.

STEIGER AMENDMENT STATEMENT

Room 450

Old Executive Office Building
Washington, D. C.

THE PRESIDENT: At the beginning of this year, I proposed to Congress substantial tax relief for almost every taxpayer in our country. I also asked that some important and long-overdue reforms be made in our unfair and very complicated tax laws.

Last week it became clear that the Congress is seriously considering a tax bill that contains no major reforms at all. That is bad enough; but this new Congressional proposal is even worse. It actually attempts to take a step backward through some version of a so-called Steiger capital gains amendment. This proposal would add more than \$2 billion to the Federal budget deficit. Eighty percent of its tax benefits would go to one-half of one percent of the American taxpayers who make more than \$100,000 a year. Three thousand millionaires would get tax reductions averaging \$214,000. The other 99-1/2 percent of our taxpayers would not do quite so well.

For instance, a middle-income family making between \$20,000 and \$30,000 a year would get a tax reduction from this proposal of less than \$1.00. And the working man or woman who makes \$20,000 or less a year would get no more than 25 cents.

The American people want some tax relief from the heavy burden of taxation on their shoulders, but neither they nor I will tolerate a plan that provides huge tax windfalls for millionaires and two bits for the average American. That underestimates the intelligence of the American people.

My proposal, to reduce the taxes paid by large and small businesses so that they can invest in new investments, new businesses, new equipment, new jobs, is a much more fair and effective approach than providing huge tax give-aways to millionaires.

Both businesses and also American working families deserve a real tax cut this year and our tax code barely needs to be made simpler, fairer and more effective.

I am working hard for tax reduction and tax reform, but only Congress can pass laws. I am still confident that in response to the obvious desires of the American people, the Congress will act responsibly on the tax package I have submitted. The American people expect and deserve no less.

Thank you very much.

Mr. Cormier?

TALKING POINTS ON ENERGY

1. Energy Bill is before the Congress now; the time to pass it is now. We have worked 14 months, talked 14 months, made the best compromise in the best democratic tradition. The Bill is good for the country, good for the world -- necessary to the continuing economic and military strength of our nation.

2. The United States is the only industrial nation that has not cut energy consumption since 1973 OPEC embargo. (In last six years our oil imports have doubled.) Americans used more gasoline last summer than ever before in our history -- and will hit a new high this summer despite lighter, more fuel-efficient cars. United States imported \$10 billion more oil last year than during the year before.

3. Security of U.S. is seriously jeopardized when we rely on foreign sources for almost half of our petroleum needs. We cannot live in fear of another embargo. We cannot risk estrangement of our allies and trading partners. Heart of our defense policy is our mutual commitments with NATO and Pacific allies. All face stark reality that there are no feasible alternatives to petroleum reserves of 13 OPEC nations -- or to the inescapable linkage of international politics with the oil trade.

4. The energy policy of the United States is the key to economic growth in the industrial world. Our 45 billion dollar oil import bill last year was a major factor in the huge U.S. current account deficit. Concern about the deficit drove the dollar down. The weakness of the dollar added inflationary pressures at home and created new tensions between us and our friends. In 1976 the U.S. current account deficit was one and a half billion dollars. A year later -- 1977 -- it was twenty and a half billion dollars. More than half that nineteen billion dollar jump reflects the increase in our oil imports.

5. I will be going to the Bonn Summit in two weeks as the President of the only western nation without a comprehensive energy policy.

THE WHITE HOUSE

WASHINGTON

A G E N D A

Editors' Briefing

June 30, 1978

8:30 - 8:40 a.m.	Coffee
8:40 - 9:00 a.m.	WALT WURFEL, Deputy Press Secretary LINDA PEEK, Special Assistant, Office of Media Liaison PAT BAUER, Editor, White House News Summary
9:00 - 10:00 a.m.	ALAN K. (SCOTTY) CAMPBELL Chairman Civil Service Commission
10:00 - 10:15 a.m.	Break
10:15 - 11:00 a.m.	KATHERINE P. (KITTY) SCHIRMER Associate Director Domestic Policy Staff
11:00 - 11:45 a.m.	JOHN M. HARMON Assistant Attorney General Department of Justice
11:45 - 12:35 p.m.	Buffet Lunch with ROBERT THOMSON Special Assistant Office of Congressional Liaison
12:35 - 12:45 p.m.	En Route to Cabinet Room
12:45 - 1:00 p.m.	JODY POWELL Press Secretary
1:00 - 1:30 p.m.	Q & A WITH PRESIDENT CARTER
1:30 - 2:15 p.m.	Filing Time
2:15 - 3:00 p.m.	JANE HARTLEY and CHARLES WARREN White House Staff
3:00 - 3:45 p.m.	CHARLES L. SCHULTZE Chairman Council of Economic Advisers

JUNE 30 BRIEFING
PARTICIPANTS

ALABAMA: James McAdory, editorial page editor, the Birmingham News. (Newhouse) Largest paper in Alabama. Conservative, Republican, business-oriented. Critical of your economic and foreign policies. Interests: defense; the future of the George C. Marshall Space Flight Center (NASA) in Huntsville.

ARKANSAS: Linda Johnson, news director, KXOW Radio, Hot Springs.

CALIFORNIA: Jo Interronte, news director, KFRC Radio, San Francisco (RKO General).

COLORADO: Jane Earle, editor, Denver Magazine. Issues: water policy, closing of Lowry Air Force Base; judgeship open in October on the U.S. Tax Court.

Dr. Hillel Goldberg, columnist, weekly Intermountain Jewish News, Denver. (Lives, however, in Atlanta.)

Garrett W. Ray, publisher, weekly Littleton Independent. Ray, president of the Colorado Press Association, publishes 4 suburban weeklies.

FLORIDA: Douglas Hotch, news editor, Florida Times-Union, Jacksonville. Democratic newspaper. Issues: defense; nuclear energy (Offshore Power Systems); Jacksonville relies heavily on Venezuelan oil; opposed to quotas. Paper supported Panama Canal Treaties.

INDIANA: William Brooks, editor, weekly Plainfield Messenger, in rural suburb of Indianapolis. Issues: DOT's route cut proposal eliminating AMTRAK line to Florida; steel industry.

Dra. Irene Sendin, associate editor, weekly El Visitante Dominical, Huntington. The only Catholic Spanish language newspaper with national circulation. Issues: human rights and abortion. Dra. Sendin worked in your Indiana campaign.

KENTUCKY: Jim Striplin, Jr., publisher, Maysville Ledger-Independent. Conservative Democratic paper. Issues: Maysville request for DOT funds for interstate route connection. Paper is against private coal companies' attempts to put docks on the Ohio River and construction of a coal burning power plant in the area.

Participants

KENTUCKY: Robert Barnard, editorial page editor, Louisville Courier-Journal. Paper supportive on legislative veto issue, Mideast arms package, and Panama Canal Treaties. Issues: water projects - the Yatesville Dam under construction; design dispute over the Little Falls parks project on the Ohio River; and the Clark Maritime Shipping Center (Army Corps of Engineers).

LOUISIANA: Don Owen, news director, KSLA-TV, Shreveport. Requested by Senator Long.

MARYLAND: Ralph Blunt, executive editor, weekly Maryland Independent, Waldorf. Issues: Paper favors Patuxent Naval Air Station request for additional DOD funds to buy property surrounding the station. Potential closing of the Indian Head Naval Ordnance Center may also come up.

MICHIGAN: George E. Arwady, editor, Saginaw News (Booth Newspapers). Issues: energy; urban policy; Canadian fishing rights; sugar import policy.

Watson S. Sims, editor, Enquirer and News, Battle Creek. Republican, suburban, middle-class area. Endorsed you in '76. Issues: taxes - property tax limit proposal on September ballot; no-fault auto insurance.

MISSOURI: Weldon (Pete) Steiner, publisher, weekly Vandalia Leader-Press. Steiner is president of the Missouri Press Association and a friend of Senator Eagleton. Issues: beef imports; EPA restrictions on heptachlor corn pesticide. Steiner worked as administrative assistant to former Democratic Congressman Hungate; he may ask about plans to appoint Hungate a federal judge.

NEW HAMPSHIRE: Don Briand, news director, WTSN Radio, Dover.

OKLAHOMA: Frederick Rahal, editor and publisher, weekly Tulsa Star. Very talkative, pro-Arab 84-year-old. Supportive of your administration.

PENNSYLVANIA: Reggie Bryant, producer/Black Perspective on the News, WHYI-TV, Philadelphia. You met Bryant at the Black Perspective on the News interview following your African trip. He returns at the request of the National Association of Black Journalists.

- VIRGINIA: F. Haynes Byerly, publisher, weekly Virginia Beach Sun. Issue: transfer of multi-million dollar aircraft repairs contract from Newport News to Philadelphia last month.
- WEST VIRGINIA: J.F. Comstock, editor, weekly West Virginia Hillbilly, Richwood. Issues: coal (paper is partly owned by local coal companies); small business; possible appointment of Jim Sprouse to the Circuit Court of Appeals.
- WISCONSIN: Steve Samer, editor, Beaver Dam Daily Citizen. Issues: Horicon Natural Wildlife Refuge - program to reduce the population of Canadian geese has stirred environmentalists; farm policy.

1.55 PM

THE WHITE HOUSE

WASHINGTON

June 27, 1978

C
/

MEMORANDUM FOR THE PRESIDENT

FROM: TIM KRAFT
JIM GAMMILL Jim G

SUBJECT: Meeting with Susan B. King

You are meeting with Susan King to discuss the Chairmanship of the Consumer Product Safety Commission. We recommend that you offer her the position.

The Consumer Product Safety Commission has not enjoyed the full support of the Congress and the Administration. However, both the Congress and the Administration are giving the agency three years in which to demonstrate its usefulness and purpose. Susan King is committed to making the agency work, and she will want to discuss what support from the Administration she should expect if she were to be Chairman. Specific items that she may discuss are:

1. A statement from you, accompanying the announcement of the new Chairman, showing the full Administration support for the agency.
2. White House support on the Hill for OMB's recommended budget of \$41.5 million. The House Appropriations Committee has discussed a possible reduction of that figure; Senator Magnuson has indicated that he will support the White House budget in the Senate.
3. Requests to OMB Director McIntyre and Civil Service Chairman Campbell for financial and personnel management help in reviewing the current systems in the agency. Both OMB and the CSC have recently issued reports critical of the previous Chairman's performance in those areas.

If she is designated Chairman, some mention may be made at some point of one aspect of her personal life. For the past several years, Ms. King has lived with a man -- a respected Washington attorney -- to whom she is not married. Both individuals had marriages that ended in divorce. Their relationship is stable and although there is no verbal commitment to marriage at this time, we expect that their relationship will continue to be strong in the years ahead.

These facts were reviewed and accepted by the Counsel's office at the time of her original nomination, and it was also known by the appropriate members of the Senate. She is a widely respected woman who will bring credit to the Consumer Product Safety Commission and to your Administration.

CURRICULUM VITAE

SUSAN BENNETT KING

(OCTOBER, 1977)

PERSONAL:

Born: Sioux City, Iowa (4/29/49)
Raised: Atlanta, Georgia
Residence: Washington, D.C. (1962 - Present)
Marital Status: Single

EDUCATION:

Catholic University Law School (Evening Division); Washington, D.C.
Completing 5th semester toward J.D. Degree (1979)

Duke University; Durham, North Carolina
B.A. Degree in Political Science (1962)
Phi Beta Kappa
Pi Sigma Alpha (Political Science honorary)

PROFESSIONAL:

May 1975 to September 1977: Federal Election Commission
Washington, D.C.
Executive Assistant to Chairman

Served as special assistant to Commissioner Thomas E. Harris (Chairman, 1977, Vice Chairman, 1976), from initial establishment of new agency through first election conducted under new federal law. Responsibilities included analyzing and assisting in developing regulations, advisory opinions, procedures and other matters before the Commission. Acted as liaison between the Commissioner and staff and represented the Commissioner in various capacities inside and outside the agency. Participated in Congressional liaison and preparation of formal testimony for oversight committees. My areas of particular interest and work included the functioning of the Presidential primary matching payment process, application of the law to delegate selection, regulation of corporate and union political activities, the effort to make agency informational materials useful and understandable to candidates and political participants, a post-election survey of the impact of the new campaign law on 1976 candidates for Congress, and the development of suggested changes and improvements in existing law.

June 1973 to May 1975: Center for Public Financing of Elections
Washington, D.C.
Vice President and Co-Director

Founded, organized and staffed full-time lobbying organization to press for reform of federal election laws, campaign financing controls and public funding for federal candidates. Annual budget of \$100,000 with full-time staff of three and various part-time consultants and volunteers. Developed and coordinated legislative lobbying coalition of over 30 member groups, including labor organizations, church, professional, public interest and citizens' action groups. Work involved legislative planning, research, press and publications, public speaking. The organization was terminated after passage by Congress of the 1974 Federal Election Campaign Act Amendments and our securing of full-time pro bono counsel to defend the constitutionality of the Act in a major court test (Buckley v. Valeo).

January 1967 to June 1973: National Committee for an Effective Congress (New York, N.Y.)
Washington, D.C.
Washington Director

Headed Washington office of candidate-endorsing and fund-raising organization. Assisted campaigns of candidates of both parties for the U.S. Senate and House of Representatives endorsed by the NCEC board; prepared periodic analyses of Congressional and election initiated first broad-based reform effort which resulted in passage of legislation (subsequently vetoed) in 1970 and which led to final adoption of the Federal Election Campaign Act of 1971. Activities included development of campaign fund-raising programs, Congressional testimony, press relations, legislative analysis, preparation of organizational materials.

May 1963 to December 1966: U. S. Senator Thomas J. Dodd,
Judiciary Subcommittee on Juvenile
Delinquency
Washington, D.C.
Legislative Aide and Legislative Asst.

Responsibilities included bill analysis, floor statements, legislative mail, constituent services.

July 1962 to January 1963: Administrative Office of the
United States Courts
Washington, D.C.
Legislative and Research Assistant

Responsibilities included liaison with Congressional committees on court related legislation, work with federal judges and court personnel and the Judicial Conference of the United States.

Publications:

"Control of Presidential Campaign Financing" (with Prof. Robert L. Peabody), Congress Against the President, Proceedings of the Academy of Political Science, Vol. 32, No. 1, 1975.

"No Substitute for Campaign Reform", Engage/Social Action (publication of the United Methodist Church), March, 1974.

Past and Present Affiliations and Activities:

Institute of Politics (John F. Kennedy School of Government, Harvard University), Campaign Finance Study Group Member (October 1977 to present)

Women's Campaign Fund (Co-founder and Executive Board Member, 1973 to 1975; Advisory Board Member, October 1977 to present)

Virginia Community Development Organization/National Association for the Southern Poor (Board Member, 1970 to present)

National Democratic Forum (Steering Committee Member, 1973 to 1975)

Democratic Review (Contributing Editor, 1973 to 1975)

National Committee for an Effective Congress (Board Member, 1973 to 1975)

National Women's Political Caucus (Legislative Committee, 1973)

American Political Science Association (past member)

American Civil Liberties Union (past and present member)

Program Participant (Lecturer or Panelist)

American Bar Association: Special Committee on Election Reform

National Municipal League Conference

National Women's Political Caucus National Convention

League of Women Voters of Maryland

Democratic Forum Conference

International Women's Year: Women in Power Committee Panel

Duke University Law School/Institute of Policy Sciences and Public Affairs

Public Affairs Council Conference

New York Citizens' Committee/CUNY Conference

Oberlin College Political Skills Conference

Robert A. Taft Institute of Government (Rhode Island University)

United Methodist Church Washington Seminar Programs

United Auto Workers/International Association of Machinists
Legislative Conference

John F. Kennedy School of Government: Institute of Politics
Conference

THE WHITE HOUSE
WASHINGTON
June 30, 1978

Frank Moore

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

cc: Jim Gammill

RE: CALL TO SEN. MCINTYRE AND BILL
WEBER

		FOR STAFFING
		FOR INFORMATION
		FROM PRESIDENT'S OUTBOX
		LOG IN/TO PRESIDENT TODAY
		IMMEDIATE TURNAROUND
		NO DEADLINE
		LAST DAY FOR ACTION -

ACTION
FYI

		ADMIN CONFID
		CONFIDENTIAL
		SECRET
		EYES ONLY

		VICE PRESIDENT
		EIZENSTAT
		JORDAN
		KRAFT
		LIPSHUTZ
		MOORE
		POWELL
		WATSON
		WEXLER
		BRZEZINSKI
		MCINTYRE
		SCHULTZE

		ARAGON
		BOURNE
		BUTLER
		H. CARTER
		CLOUGH
		COSTANZA
		CRUIKSHANK
		FALLOWS
		FIRST LADY
		GAMMILL
		HARDEN
		HUTCHESON
		JAGODA
		LINDER
		MITCHELL
		MOE
		PETERSON
		PETTIGREW
		PRESS
		RAF SHOON
		SCHNEIDERS
		VOORDE
		WARREN
		WISE

		ADAMS
		ANDRUS
		BELL
		BERGLAND
		BLUMENTHAL
		BROWN
		CALIFANO
		HARRIS
		KREPS
		MARSHALL
		SCHLESINGER
		STRAUSS
		VANCE

THE WHITE HOUSE
WASHINGTON

Mr. President:

The Presidential Personnel
Office notes that they have
tentatively scheduled an
interview with Bill Weber
during the week of July 10th.

Rick (wds)

*Let Frank
tell Tom
J*

THE WHITE HOUSE
WASHINGTON

June 29, 1978

CONGRESSIONAL TELEPHONE CALL

TO: Senator Thomas McIntyre

DATE: Friday, June 30

RECOMMENDED BY: Frank Moore ^{F.M./BR} and Dan Tate ^{DT}

PURPOSE: To discuss the FDIC Chairmanship

BACKGROUND: The Senator wrote to you about his strong interest in having Bill Weber named to succeed LeMaistre who is leaving August 15. He also discussed this with you on Air Force One on the return trip from New Hampshire in February. At the time the Senator mentioned that he would like to follow-up personally when the time was appropriate -- he thinks that now is the time. The Senator also wants to emphasize the importance of filling this position as soon as possible. He will say that the law provides that if the chairmanship of the FDIC is vacant then the comptroller of the currency temporarily assumes that position. Senator McIntyre will argue that, in effect, this will mean that a Republican will run the FDIC since the comptroller will almost surely defer to the number 2 man at FDIC who is a Republican.

Date of submission: 6/29/78

THE WHITE HOUSE
WASHINGTON

June 30, 1978

Frank Moore

The attached was returned in
the President's outbox. It is
forwarded to you for your
information.

Rick Hutcheson

CIVIL SERVICE REFORM BILL

		FOR STAFFING
		FOR INFORMATION
	/	FROM PRESIDENT'S OUTBOX
		LOG IN/TO PRESIDENT TODAY
		IMMEDIATE TURNAROUND
		NO DEADLINE
		LAST DAY FOR ACTION -

ACTION
FYI

		ADMIN CONFID
		CONFIDENTIAL
		SECRET
		EYES ONLY

		VICE PRESIDENT
		EIZENSTAT
		JORDAN
		KRAFT
		LIPSHUTZ
	/	MOORE
		POWELL
		WATSON
		WEXLER
		BRZEZINSKI
		MCINTYRE
		SCHULTZE

		ARAGON
		BOURNE
		BUTLER
		H. CARTER
		CLOUGH
		COSTANZA
		CRUIKSHANK
		FALLOWS
		FIRST LADY
		GAMMILL
		HARDEN
		HUTCHESON
		JAGODA
		LINDER
		MITCHELL
		MOE
		PETERSON
		PETTIGREW
		PRESS
		RAFSHOON
		SCHNEIDERS
		VOORDE
		WARREN
		WISE

		ADAMS
		ANDRUS
		BELL
		BERGLAND
		BLUMENTHAL
		BROWN
		CALIFANO
		HARRIS
		KREPS
		MARSHALL
		SCHLESINGER
		STRAUSS
		VANCE

THE WHITE HOUSE
WASHINGTON

June 29, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: FRANK MOORE

The Senate Governmental Affairs Committee
ordered the Civil Service Reform Bill reported
late this afternoon (6:05 p.m.).

good
C

THE WHITE HOUSE
WASHINGTON

June 30, 1978

Frank Moore

The attached was returned in
the President's outbox. It is
forwarded to you for your
information.

Rick Hutcheson

FOR STAFFING

FOR INFORMATION

FROM PRESIDENT'S OUTBOX

LOG IN/TO PRESIDENT TODAY

IMMEDIATE TURNAROUND

NO DEADLINE

LAST DAY FOR ACTION -

ACTION
FYI

ADMIN CONFID

CONFIDENTIAL

SECRET

EYES ONLY

VICE PRESIDENT

EIZENSTAT

JORDAN

KRAFT

LIPSHUTZ

MOORE

POWELL

WATSON

WEXLER

BRZEZINSKI

MCINTYRE

SCHULTZE

ARAGON

BOURNE

BUTLER

H. CARTER

CLOUGH

COSTANZA

CRUIKSHANK

FALLOWS

FIRST LADY

GAMMILL

HARDEN

HUTCHESON

JAGODA

LINDER

MITCHELL

MOE

PETERSON

PETTIGREW

PRESS

RAFSHOON

SCHNEIDERS

VOORDE

WARREN

WISE

ADAMS

ANDRUS

BELL

BERGLAND

BLUMENTHAL

BROWN

CALIFANO

HARRIS

KREPS

MARSHALL

SCHLESINGER

STRAUSS

VANCE

THE WHITE HOUSE

WASHINGTON

June 30, 1978

Good
J

MEMORANDUM FOR THE PRESIDENT

FROM:

FRANK MOORE
LES FRANCIS

F.M.
LF

SUBJECT:

Progress on Civil Service Reform

For the second day in a row, significant progress was made on our Civil Service Reform legislation. Late yesterday afternoon, the Senate Governmental Affairs Committee, by a vote of 11-2, reported out the reform legislation. The bill, as reported by the Committee, is about 90% of what we wanted; the most notable exception being Veterans' Preference modification.

In action yesterday, the Committee adopted the Ribicoff-Javits compromise on EEO "mixed cases". It was a compromise that we supported only as a tactic to get the bill out of Committee. We are not obligated to sustain the Committee position on this matter either on the floor or in Conference. In fact, we will attempt to hold to the language embodied in Reorganization Plan No. 1.

You should know, however, that the decision to support the Ribicoff-Javits compromise has generated some anger among civil rights groups. The main problem seems to be not so much on the issues involved, but rather a very serious personal feud between Senator Ribicoff and Clarence Mitchell.

The House Post Office and Civil Service Committee adjourned yesterday after making some progress marking up Title III of the legislation (they only have a couple of items to go in that Title). Scotty Campbell feels that it is possible that the Post Office and Civil Service Committee will finish mark-up sometime during the week of July 10.

In addition, Jack Brooks' subcommittee of Government Operations acted favorably on the Reorganization Plan yesterday.

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THE WHITE HOUSE
WASHINGTON
June 30, 1978

Bunny Mitchell

The attached was returned in the President's outbox today and is forwarded to you for your information. The signed original has been given to Bob Linder for appropriate handling.

Rick Hutcheson

cc: Bob Linder

RE: COMBINED FEDERAL CAMPAIGN

THE WHITE HOUSE

WASHINGTON

June 30, 1978

MEMORANDUM FOR

THE PRESIDENT

FROM:

BUNNY MITCHELL 

SUBJECT:

1978 Combined Federal Campaign

Attached for your signature are memoranda to department/agency heads and federal/military employees concerning the 1978 Combined Federal Campaign for the National Capital Area. This is the Federal government's annual drive for employee contributions to voluntary health and welfare organizations.

Secretary Califano has agreed to chair this year's campaign which will begin in September. The Civil Service Commission will coordinate activities with him and the voluntary agency representatives.

Jim Fallows has reviewed both messages.

THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR

FEDERAL EMPLOYEES AND MILITARY PERSONNEL

Ours is a society in which individuals traditionally share what they have with others less fortunate than themselves. The Combined Federal Campaign offers each of us the opportunity to show our individual concern for those in need of help. This one campaign combines the fund-raising efforts of the local United Way, the American Red Cross, the National Health Agencies, and the International Services Agencies.

Through one gift to the Combined Federal Campaign, we can help support a wide variety of voluntary agencies. These organizations support the sick, the aged, the handicapped, the poverty-stricken and the young -- those who are needy among us. Your contributions also go towards research programs and our friends in need across the seas. If you choose, your gift can be made easier through the use of payroll deductions.

While the decision to give and the amount of one's gift are, of course, personal voluntary decisions, I hope that each of you will join with me and other federal workers, civilian and military, in supporting your local Combined Federal Campaign to the fullest extent possible.

Jimmy Carter

THE WHITE HOUSE
WASHINGTON

MEMORANDUM FOR THE HEADS OF
DEPARTMENTS AND AGENCIES

I am pleased to tell you that Joseph A. Califano, Secretary of Health, Education, and Welfare, has agreed to serve as Chairman of the Combined Federal Campaign for the National Capital Area this fall.

This campaign, which begins in September, combines the solicitation efforts of the United Way of the National Capital Area, the National Health Agencies, and the International Service Agencies. In this single drive we will seek to do our share to meet the needs of more than 150 local, national and international health, welfare and social service agencies.

The needs of the voluntary organizations supported by the Combined Federal Campaign are great. These organizations perform essential services in helping the disadvantaged, in serving youth and the aged, in healing the sick, and in helping those in need overseas. CFC gives all of us who are Federal employees, whether civilian or military, a unique opportunity to pledge our help to people in our community, our nation, and around the world -- a pledge made more convenient by the availability of voluntary payroll deductions.

I request that you serve personally as Chairman of the campaign in your organization and that you appoint one of your top assistants as your Vice Chairman. Please advise Secretary Califano of the person you designate as Vice Chairman. I am confident that Secretary Califano will have your wholehearted support in this endeavor, and I urge you to commend the campaign to everyone in your organization.

Jimmy Carter

THE WHITE HOUSE
WASHINGTON

IF DR. IRENE SENDIN IS CALLED
UPON IN THE MEETING WITH EDITORS
SHE SAID SHE MAY ASK THE
FOLLOWING QUESTION IN SPANISH:

"¿CUÁLES SON LOS SIGUIENTES
PASOS ACERCA DE LOS DERECHOS
HUMANOS EN AMÉRICA LATINA?"

[WHAT ARE THE NEXT STEPS ON
HUMAN RIGHTS IN LATIN AMERICA?]

(SHE MAY, OF COURSE, GET SHY OR
NERVOUS AND NOT DO IT, OR
REPHRASE IT. SHE HAS BEEN IN THE
STATES SEVEN MONTHS AND SAYS HER
ENGLISH IS WEAK)

JIM PURKS

1:00 p.m.

THE WHITE HOUSE

WASHINGTON

June 30, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: Jerry Rafshoon ^{JR}
Walt Wurfel ^{WW}

SUBJECT: Your meeting with Non-Washington Editors,
1:00 p. m., Friday, June 30.

Your opening remarks are on Regulation and Paperwork Reduction. Talking points are attached.

Before meeting with you this group will be briefed on civil service reform, the legislative veto, and energy policy. Later they will be briefed on urban policy, inflation and tax reform.

These participants come from 17 states. Seventeen are from newspapers; the remainder are broadcasters. A list is attached.

One of the participants, Dra Sendin from Indiana will ask you her question in Spanish, if called on. You may wish to respond in Spanish. We will have an English translation included in the transcript.

Another participant, J.F. Comstock of West Virginia has taken up a collection in his town to buy you a \$40 bust of Dylan Thomas. He has delivered the bust to Pat Barrio's office. Because of the community involvement in purchasing the bust for you, we recommend the gift be accepted and forwarded to the National Archives for possible inclusion in the Carter library. This would be consistent with the gift policy outlined in Hugh Carter's June 20, 1978 staff memo on gifts.

The regular photo pool will be in the room until the completion of your comments on the OSHA and DOD paperwork reduction.

REGULATION AND PAPERWORK REDUCTION

TALKING POINTS

- As part of your effort to reduce unnecessary regulation and paperwork the Occupational Safety and Health Administration will no longer require 40,000 to 45,000 small businesses to fill out their annual forms. (The nineteen foot stack of paper represents the equivalent of the forms that would have to be filled out by businesses and processed by OSHA each year. These are not the actual forms but are to illustrate the amount of red tape eliminated.)
- Another example is the list of Defense Department specifications for mouse trap procurement. (On the table you have the old specifications which are 500 pages long and nearly two inches thick and the new specifications - one page. These are the actual forms.)
- These efforts are particularly important to you because:
 - * Unnecessary government regulation and paperwork is inflationary and inflation is our number one economic problem. Government must take the lead in fighting it.
 - * It wastes the time of the public and is a hindrance to the success of business persons - large and small.
 - * It wastes the taxpayers' dollars.
 - * It wastes public servants' time.
 - * It is an unnecessary intrusion upon our citizens.
- Not long ago, OSHA eliminated or simplified 1,100 "nit-picking" regulations.
- You are proud of Eula Bingham, Ray Marshall, Harold Brown, and Jim McIntyre for the actions to help you fight paperwork and regulation excess.
- You are going to continue this fight to make government work for the people and not be a burden on them.

More background on
paperwork reduction
Phel

June 30, 1978

Office of the White House Press Secretary

THE WHITE HOUSE

FACT SHEET

Here are some results of the Administration's paperwork reduction programs begun in January 1977:

The total burden of federal reporting has been cut by more than 85 million hours--equivalent to a year's work by 50,000 people.

More than 300 federal reports have been eliminated.

The Labor Department has cut the OSHA reporting burden by more than 500,000 hours through simplification of its annual survey report and the use of a smaller number of respondents.

OSHA has further reduced its annual survey sample by 40,000 to 45,000 small businesses. This reduction from 332,000 establishments (of which about 110,000 are small businesses) will be implemented by dropping some small firms in low risk industries such as finance, real estate, and service industries from the sample. These are industries where accidents and occupational diseases are relatively rare. (The annual survey is used by the Labor Department for many purposes including compliance targeting, evaluating State plans, and in the process of standards setting.)

IRS cut out 7 forms and simplified 4 more, reducing the public reporting burden by almost 2 million hours. (More taxpayers than ever before are now eligible to file the short form 1040A.)

The Office of Federal Procurement Policy is leading an overhaul of federal procurement regulations that will, at the outset, eliminate over 1,000 pages of such regulations. (The government formerly took 500 pages to spell out detailed specifications for mouse traps. We have cut that to 1 page. A 21-page specification for towels is now just a single paragraph.)

PROCEDURES

The President issued an executive order in March requiring federal agencies to minimize the regulatory and paperwork burdens of new and existing regulations.

The President made each department and agency head personally responsible for the reporting burden the agency imposes on the public.

OMB has set ceilings on the total paperwork burden and the number of reports that each agency may impose and each agency has been asked to set a goal to reduce burden below the ceiling for the fiscal year. If an agency reaches its ceiling it must first eliminate or reduce a report before it can collect new information from the public.